DRAFT OF FORM LETTER TO MEMBERS OF CONGRESS RE COTTON CONTRACTS E IVED

LIBRAR (This Form will be varied to suit individual needs) 8. Department of Agriculture

The Legal Division of this Administration is of the opinion that there is no legal prohibition which world prevent members of Congress from permitting their tenants to enter into cotton acreage reduction contracts, provided such members of Congress sign the waiver contained in paragraph 12 of such contracts beneath the caption of "Interested party." Said waiver reads as follows:

"The undersigned lien-holder(s) and/or others having an interest in the 1933 cotton crop now being grown on the lands embraced in the foregoing offer, hereby consent(s) to the making of this offer and to the performance of the conditions thereof when and if accepted, and agree(s) that the Secretary or his agents may deal with the producer as if he were the sole party having interest in said cotton land or crop."

If contracts relating to farms in which you are interested were executed by a person or persons other than yourself and not by you, and if you signed the above waiver, those provisions of the statutes of the United States restricting the right of members of Congress to contract with the United States are inapplicable.

If, however, you signed any such contract in the Place reserved for the signature of the grower (this place appears in paragraph 12 of the contract immediately above the waiver already quoted in this letter), it is suggested that because of the prohibitions stated in Section 204 of Title 18 of the United States Code, you should execute a copy of the enclosed "Waiver of Interest" for such contract if the "Waiver of Interest" correctly states your intention in so signing such contract. The "Waiver

of Massach

of Interest! for each contract should then be forwarded to Mr. Cully A. Cobb, Contract Unit, Agricultural Adjustment Administration, Department of Agriculture, Washington, D. C.

If you have signed any such contract as grower and the "Waiver of Interest" does not properly state your intention in so signing such contract so that you are unable to execute a "Waiver of Interest" for such contract, it is our opinion that under the existing law no payment under such contract can be made to you without subjecting you to the risk of criminal prosecution. In the event that it was your intention that part of the payments under a contract so signed by you should go to someone other than yourself, will you please execute a copy of the enclosed "Partial Waiver of Interest" and forward the same to Mr. Cobb. The balance of any payments due under such contract, over and above the amounts specified in the "Partial Waiver of Interest," will be held in escrow by the Agricultural Adjustment Administration until such time as Congress may direct the disposition of the same.

If you have signed any contract intending to receive all the payments, will you kindly notify Mr. Cobb immediately of such fact and of the serial number of such contract, or, if you have no record of the serial mumber, of the name of the county where the farm covered by such contract is located, and of the name or names of the person or persons who signed such contract as the grower or growers. The payments called for by any such contract will also be held in escrow until Congress may direct the disposition of the same.

- 2 2

If payments, or parts thereof, under my contract covering a farm in which you have a personal interest are to go to a creditor of yours in reduction of your debt, it is our opinion that you should notify Mr. Cobb to withhold such payments and keep them in escrow until Congress directs the manner of their disposition, except in cases where you acted as trustee or intermediary for there (your tenants for example) so that they are the parties primarily indebted. In this latter event it is our opinion that your interest is not sufficently direct to come within the statutory prohibition.

It is also our opinion that no member of Congress may under the existing lay permit a tenant to sign an acreage reduction contract with the agreement or understanding that such member of Congress will receive from his tenant a part of the payments to be made under such contract.

The testiment of the control of the state of

the period dem with the property of the party of the part